



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2009 Biennium

Bill #	HB0537	Title:	Revise state hail insurance laws
Primary Sponsor:	Ripley, Rick	Status:	As Amended in Senate Committee

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input type="checkbox"/> Needs to be included in HB 2 | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2008 Difference</u>	<u>FY 2009 Difference</u>	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact:

There will be no fiscal impact to the state.

FISCAL ANALYSIS

Assumptions:

Department of Agriculture (AGR)

1. The Board of Hail Insurance is allocated to the AGR for administrative purposes in 2-15-3003, MCA.
2. This bill allows the Board of Hail Insurance to increase state hail insurance coverage available to growers of Montana crops.
3. According to 80-2-208, MCA, as proposed to be amended, when the reserve fund is determined actuarially sound as provided in 80-2-228, MCA, the Board of Hail Insurance may not write more than \$50 per acre of non-irrigated cropland and not more than \$76 per acre of irrigated cropland.
4. The premium rate, which is based on historical data and set by the Board of Hail Insurance at the county level, will not change as a result of this bill. Policy holders will pay additional premium in direct relationship to increased hail insurance coverage.
5. The policy holder may elect to have hail crop insurance coverage lower than the maximum specified in section 80-2-208, MCA.
6. Changes in the proprietary account are unknown due to variables such as moisture, drought, and hail storms.

Sponsor's Initials

Date

Budget Director's Initials

Date

